

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE NOTICE OF PURCHASED GAS)	
ADJUSTMENT FILING OF EAST)	CASE NO. 8114-J
KENTUCKY UTILITIES, INC.)	

O R D E R

On October 8, 1984, East Kentucky Utilities, Inc., ("East Ky") filed with the Commission an application to increase its rates in accordance with its purchased gas adjustment clause. East Ky proposed that the increased rates be made effective for service rendered on and after October 15, 1984.

The Commission finds that an investigation will be necessary in order to determine the reasonableness of the August 16, 1984, contract with Southeastern Gas Company ("Southeastern"), and that such investigation cannot be completed prior to the expiration of the required 20-day notice period. The contract was filed in Case No. 9109 which is incorporated by reference.

A formal conference is, accordingly, scheduled for November 8, 1984, at 10:00 A.M., EST, in the Commission's offices in Frankfort, Kentucky. East Ky should be prepared to detail its negotiations with Southeastern. Representation from Southeastern to provide technical verification regarding gas wells and

certifications at the conference is advisable. Some items of interest to the Commission are:

1. The names of the Southeastern wells that supply East Ky.
2. The classification of the above-named wells under the Natural Gas Policy Act.
3. Other Southeastern customers and the price they currently are charged for gas purchases.
4. What other possible suppliers exist that could serve East Ky and at what rates?

IT IS THEREFORE ORDERED that the purchased gas adjustment be and it hereby is suspended for 5 months on and after October 15, 1984.

IT IS FURTHER ORDERED that East Ky shall appear at the Commission's offices in Frankfort, Kentucky, on November 8, 1984, at 10:00 A.M., EST, in a formal conference to discuss its contract and negotiations with Southeastern.

Done at Frankfort, Kentucky, this 26th day of October, 1984.

PUBLIC SERVICE COMMISSION

Richard D. Herron
Chairman

Paul H. Long
Vice Chairman

James H. Hines
Commissioner

ATTEST:

Secretary